25 Changing Times, Changing Institutions: Leadership and Management Responses to Resource Challenges in Higher Education in Kenya

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1 Abstract

Universities the world over seem to be caught up in grand contradictions (Clark 1998:146). They have, for instance, to do more and more with less, maintain the expanding cultural heritage with the best of the past and at the same time quickly and flexibly develop new fields of study and modes of thought, and respond to everyone's demands because all are "stakeholders" (de Boer, 2002). Universities, just like all societal organisations need to be governed (Van Kersbergen and Van Waarden, 2001:4-6) and require governance structures which enable them operate at their best, achieve their missions and core functions within their changing conditions (Peters, 2001). While the form and rapidity of change in systems of higher education differs in different parts of the world, it is without exception that change is taking place in higher education in a more fundamental way than before as a result of responses to the challenges faced by higher education systems and institutions (Neave and Van Vught, 1994). Rapid growth, declining public resources, the impact of IT, the explosion of new knowledge, higher expectations about the contribution of higher education to society, and growing competition from new providers are but some of these challenges (Salmi,1991; Sawyerr, 2002). They call for responsiveness, change and even renewal in the sector. Just like universities worldwide, Kenyan universities are facing new challenges, both internal and external, with implications to many things amongst them, financing and governance. This paper analyses the responses by Kenyan universities to their resource challenges and especially the Parallel Degree Programmes and their implications to university core activities. In doing this, the paper looks at the new modes of resource generation and utilisation by the Kenyan universities. While there have been several discussions on different aspects of the Parallel Degree Programmes, this paper takes the nuance of leadership and thus analyses how university leadership in Kenya is responding to this new and originally uncharacteristic development. In doing this, the paper examines the changing leadership roles and responsibilities especially with regard to providing more resources to their institutions. Key words: leadership, management, universities, income generation, Kenya.

2 Introduction

In their contexts, universities are seen as professional organisations which create and transmit specialised knowledge and skills; their members are granted a great deal of autonomy, and their bases of authority are determined by professional expertise as opposed to bureaucratic hierarchies (Harman, 1990:33). Leadership in such organisations as universities share many features with leadership in a collegium, with emphasis on negotiation, persuasion, the development of consent and consensus (Middlehurst, 1993).

The most significant feature of the Kenyan higher education sector since the 1990s has been the tremendous increase in the number of universities and rapid growth in enrolments. Public universities increased from one in the 1970s to seven in 2006; whereas the number of private institutions currently stands at 18 up from three in the 1980s. Enrolment has grown steadily as a result of rising public demand for higher learning and the changing labour market structures. Over the last decade, there has been a rapid expansion of the higher education sector in Kenya (Government of Kenya, 2007). While there were only two public universities by 1987, in 2009 the system is composed of seven public and 18 private universities and a student's population of about 130,000 (Government of Kenya, 2007). This rapid expansion of the higher education sector has been due to the rising demand for higher education (Wanjohi, 2006; Okech and Amutabi, 2001).

The second feature of the 1990s and 2000s has been the deepening reductions of government expenditure on public higher education, resulting into severe under-funding and mounting budget deficits in all the seven public universities. Although the Government spends about 7 percent of its GDP on funding the education sector in general, the aggregate funding subsidy earmarked for higher education sub-sector has continued to decline since 1990s. The higher education share of the consolidated education budget dropped from 20 percent in 1990 to an estimated 14 percent in 1994 (Rodrigues and Wandiga, 1997). Furthermore, for 2006/07 the Government budgetary allocation for the education sector was Kshs 92.868 billion; of which a relatively meager Kshs 12.784 billion (or 13%) actually went into higher education (Cheboi, 2006). However, other sources estimate the total annual budget for education sector at Kshs 99 billion or USD 1.3 billion for 2006/07 (World Bank, 2006: P6).

The depth of the funding crisis can be illustrated by the rising budgetary deficits that have rocked all public universities since the 1990s. For example, University of Nairobi operates a monthly total recurrent expenditure of Kshs 196 million whereas it received only Kshs 119 million in Government grant support for 2005/06; leaving a staggering 39 percent budget deficit. In 2005, the University of Nairobi had a consolidated debt portfolio exceeding Kshs 1.6 billion; of which nearly half is owed to Government itself in the form of uncollected tax revenues (Magoha, 2005). Kenyatta University's budget deficit escalated from 2 percent in 1990 to 14 percent in 2005; whereas Moi University carried an incredible debt portfolio of Kshs 155 million in 2000 (Mwiria and Ng'ethe, 2007). Public universities have aggressively pursued alternative funding. These dynamics describe the overall organisational and policy context and the challenges that confront the contemporary Kenyan universities; making governance, management and leadership extremely important issues (Mwiria, 2007). Thus, in addition to Government support, the universities have had to adopt new and unfamiliar ways of diversifying their resource base. The pressure to diversify the resource base, to meet the diverse and competing demands of stakeholders, while ensuring operational efficiency and quality standards, has meant that institutional governance in universities be professionals.

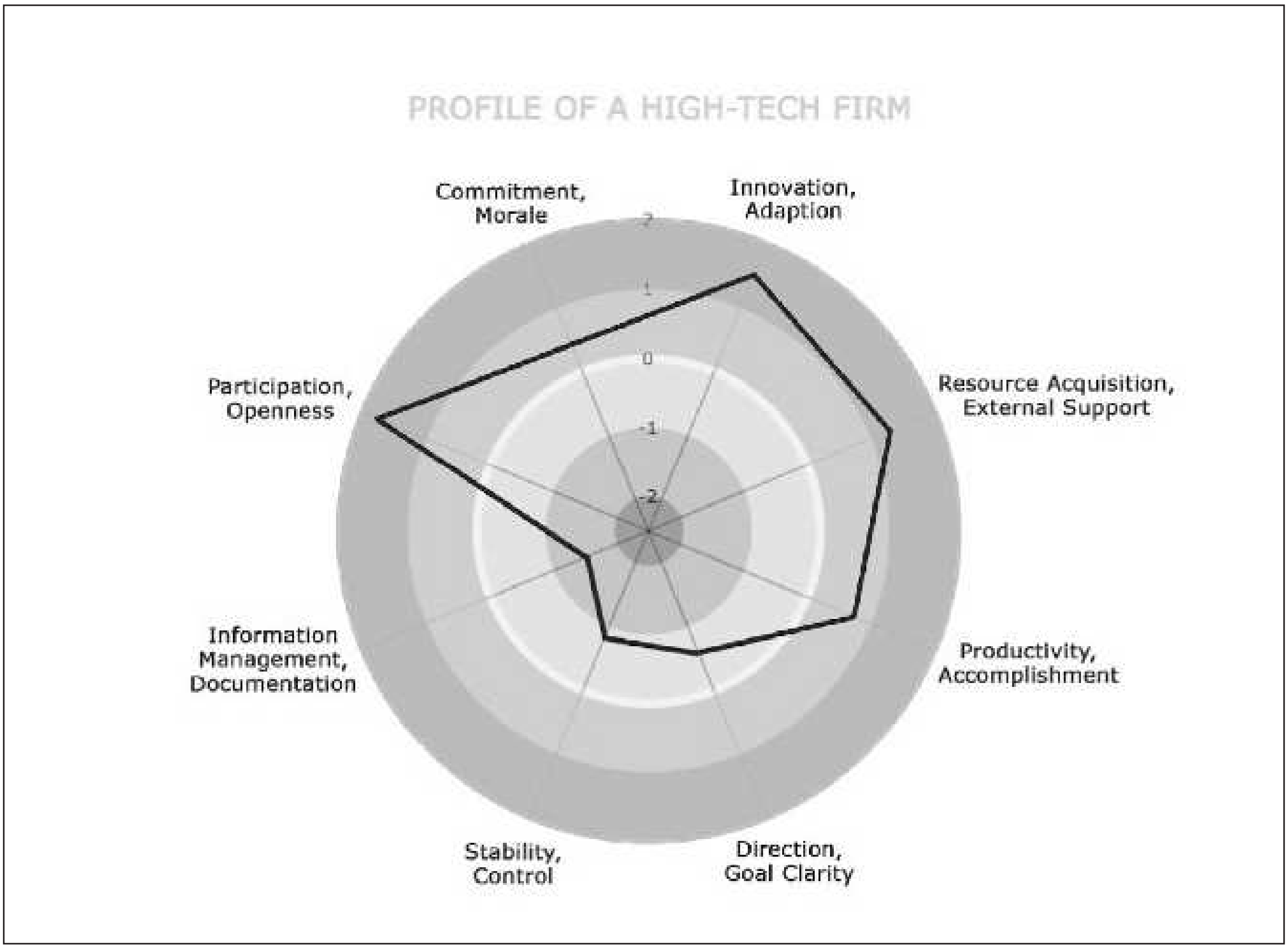
3 The Competing Values Framework to Leadership and Management

In attempting to analyse and understand how university leadership in Kenyan universities are responding to their resource requirements in an increasingly complex and dynamic environment, this paper adopts the Competing Values Framework (CVF) developed by Quinn and Rohrbaugh (1983) and based on two main dimensions of organisational effectiveness. The first dimension was based on organisation focus, from an internal emphasis on people in the organisation to an external focus on the environment. The second dimension represents the contrast between stability and control versus flexibility and change. The two major dimensions underlying conceptions of leadership effectiveness are mainly based on whether an organisation has a predominant internal or external focus and whether it strives for flexibility and individuality or stability and control. These dimensions are also important in determining how an institution will respond to its changing requirements. The CVF received its name because the dimensions seem at first to carry conflicting messages as it requires organisations to be adaptable and flexible, while at the same time being stable and controlled (Quinn and Rohrbaugh, 1981, 83; Cameron and Quinn, 1999), which is of course a paradox. These dichotomies are illustrated in the diagram below.

CVF has developed as a model for analysing organisational effectiveness and leadership roles based on the major indicators of effective organisations (Quinn and Rohrbaugh, 1983). The horizontal dimension maps the degree to which an organisation focuses inward or outward. To the left, attention is mainly inwards, within the organisation, while to the right the focus is outwards towards external stakeholders or the environment. Internal focus is important for organisations in which competition or external stakeholders are not crucial. Where competition and external stakeholders are of critical importance, then the focus has to be external. The vertical dimension determines who makes decisions within the organisation. At the lower end, decision rests with the organisational management while on the upper end it is devolved to the employees. Stability and control are paramount for efficiency while in times of change, flexibility and discretion gain increased importance (Quinn and Kimberley, 1984).

On the basis of this Model, Quinn (1988) characterises organisations as complex, dynamic and contradictory systems in which managers have to fulfil multiple competing expectations. Each quadrant of the framework represents one of the four major models of System Model, the Rational Goal Model, and the Internal Process Model. These four perspectives can be viewed as closely related and interwoven and as part of a larger construct for explaining managerial and organisational effectiveness. They just summarise the unseen values over which people, programmes, policies and organisations live and die (Quinn, 1988; Quinn and Cameron, 1999; Kotter and Heskett, 1992).

In its application CVF assumes that leadership occurs in an environment embedded in ambiguity, complexity and information overload (Hambrick, 1989; Quinn, 1988, Hoijberg, 1996). The argument of this framework is that more effective managers are able to cope with multiple and competing leadership roles and should strike a balance with the competing demands. Effective managers have the ability to play multiple, even competing leadership roles. The four quadrants in the Competing Values Framework each represent a perspective on the variables which are critical for effective organisational leadership. Managers who have the capacity to focus on all the four roles have higher levels of achievement (O'Neill and Quinn, 1993). The basis of the Model is that though these four areas are equally important, they represent competing values, with dynamic strands of tension among them. The challenge of the leader is therefore to develop competencies and skills that relates and balances to all the four areas. Concentration on one of the four areas always leads to neglect and imbalance on the others. These leader responses to the competing values can be plotted as illustrated below, for example.



The Model helps us explain the competing demands of organisational life, which is even more important during periods of dramatic change. It can also be used to help organisations diagnose their existing and desired cultures and also to examine organisational gaps. Practicing managers can use it to understand organisational processes and functions in addition to improving understanding of the similarities and differences of managerial leadership roles.

In the analysis of university leadership responses to resource requirements of the institutions, this Model could be applied first at the organisational level to provide an understanding of the complexities of these organisations and the competing roles that university leaders grapple with. Beyond this, it would be used to analyse how these leaders respond to the resource deficiencies of their organisations, as one of the main competing values. Overall it lays bare the leadership roles expected of university executives in Kenya. The Model has been used in a wide range of organisational research, leadership styles and effectiveness, organisational development and human resource development (Rojas, 2000) and has proved very useful.

4 Changing Governance and Leadership Patterns

Traditional ways of governing society, politics and economy are changing creating problems of governmentally, accountability and hence legitimacy. The idea of leadership is complex, difficult to capture and open to numerous definitions and interpretations (Middlehurst, 1993; Bush, 1986). The growing importance of leadership in organisational performance continues to lend credence to the argument that a better understanding of leadership is the next step in developing a more complete and deeper understanding of management and performance of organisations (Ingrahman, Sowa and Moynnihan, 2002). An understanding of what leaders do, how they do it, why they do it and the implications this has on the organisations, is therefore crucial. The interest in what makes effective managers or leaders has been perennial and continues to attract more research interest (Quinn et al, 2006; Bolden, 2004).

Leadership, while often offered as the solution to most organisational problems, has been very problematic in universities (Bolman and Deal, 1992; Green, 1994; Bensimon, Neumann and Birnbaum, 1989) especially in today's increasingly complex internal and external environments (Tucker, et al, 1992). Despite much research on leadership, no clear-cut conclusions have been rendered as to what specific leader behaviours is best for the higher education institutions (Ehrle and Bennett, 1988).Whether leadership is a significant requirement for the effective running of universities has also been contentious and even led to myths and paradoxes of academic life (Ramsden, 1998) that is, the renowned "Birnbaums' Paradox" (Birnbaum, 1986).

Many studies have however ascertained the role and increasing essence of leadership and management in the organisational well-being, performance and success of universities (Gumport, 2000; Duke, 2002; Middlehurst, 1993; Maassen and van Vught, 1994; File, 2000). Among the leadership functions of university managers is to monitor the vulnerability arising from resource dependence, cultivate new resources to reduce existing dependencies and ensure compliance with demand. These present university leaders with an expanded role and authority over a broad domain of organisational decision-making and demands to balance between administrative control, faculty autonomy and business pressures (Bennett, 1998; Birnbaum, 1992; Raelin, 1995).

The paradoxical resilience, permanence and adaptive nature of universities has to do with some fundamental characteristics (Kerr, 1982:152; Maassen and van Vught, 1994; Bargh, et al, 2000; Clark, 1983:12) some of which can be traced to medieval times. Universities are understood as institutions with dualism in organisation structure, blurred levels of organisational responsibility and control, unclear goals, and as fragmented, loosely coupled organisations (Mintzberg, 1979, Birnbaum, 1986). Their many stakeholders, in addition make them highly contested terrains where governance and management are problematic (Goedegebuure and Van Vught, 1994). In view of the foregoing, universities are peculiar organisations in which leadership is a demanding, complex and even a contradictory task. How then do university leaders manage these competing demands? Higher education in Kenya, like all universities across Sub-Saharan Africa, has also had its challenges in leadership ranging from government interference in appointment of chief executives at least until 2003, weak institutional structures for governance, infringement into academic freedom, and low institutional capacities for reforms and innovations (Mwiria, 2007; GOK, 2007), among others.

5 Trajectories of Financial Restructuring

Funding is perhaps the most powerful and pervasive policy steering instrument available to any government or organisation. In fact, the resource dependency perspective of organisations explains that organisations, such as universities, must actively re-organise their activities and structures in order to ensure a continuous flow of various resources that are critical to their survival (Oliver 2001). It is hardly surprising therefore that the largest majority of the literature on policy development and policy restructuring within higher education worldwide tend to focus almost entirely on the economic and social efficiency of different funding regimes and patterns of resource allocation (Johnstone 1986; Woodhall 2008). Johnstone (1986) argues that, regardless of all social and economic characteristics of any given country, all the costs of higher education must ultimately be paid by a combination of four basic sources of finance: taxpayers, parents, students, and donor agencies. The higher education funding calculus is such that "any cost shifted from one source must be shifted to another source" (Woodhall, 2008, 22); given that higher education costs are by their nature unavoidable, irreducible, and continually escalating. The high costs are related to the natural economic character of the tertiary education function that is characterised as "both labour and capital intensive and has proven throughout the world to be especially resistant to labour-saving technologies" (Johnstone 2004, p. 12).

Many discussions of the historical development of Kenya's higher education sector since independence (1963) to the present times can analytically be distinguished into three interrelated phases based on different funding policy regimes linked to how the costs of higher education have been shifted among different constituencies. These overlapping funding regimes are associated partly with specific Government policy pronouncements often in the form of Sessional Papers; and partly as prescriptive conditions attached to particular funding packages offered to developing countries by the major international donor agencies (Samoff and Bidemi, 2003; 2004). The three overlapping funding phases have been characterised generally as follows: free provision phase (1963 – 1974); cost-sharing phase (1974-1980s); privatisation and commercialisation phase – since 1990s to date – (Odebero et al, 2007; Wangenge-Ouma 2008).

As part of the shifting public policy architecture towards New Public Management, many governments worldwide have increasingly intensified the application of the market (or market simulations) as the powerful regulatory instrument for controlling the public sector, including higher education (Amaral and Magelhaes, 2007). This intensive market encroachment carries important implications for higher education. This has been as a result of a multiplicity of both local and external factors, most significant being the Structural Adjustment Programmes (SAPs) (Teferra, 2008). In the period between 1980 and 2002, the World Bank had published at least seven major education sector policy documents containing wide-ranging and sometimes conflicting public policy recommendations for Sub-Saharan education (Samoff and Bidemi 2003). Over this period, the public cost of funding and subsiding higher education has continued to escalate (World Bank, 1988; World Bank, 1994; Magoha, 2005) forcing universities to reorient their focus on diverse patterns of resource generation.

In the Kenyan case, there were changes in governance structures, institutional regulatory frameworks and funding modules. The reforms have encompassed providing more opportunities for the universities for enhanced governance. Significant governance reforms include:

1. Lessening government involvement in the management of universities;
2. A change in the role of the president as the chancellor of the public universities with powers to appoint university senior executives;
3. Relative autonomy and academic freedom;
4. Institutional responsiveness;
5. Changes in governance structures;
6. The competitive appointment of executives, and
7. New management ethos

(Republic of Kenya, 2006).

The Government has also introduced result-based management through performance contracts and by requiring the universities to develop and adhere to strategic plans. The performance contracts are being used to monitor the performance of staff in their respective roles and responsibilities. There is also an ongoing review of the entire Education Act which will also imply more wide-ranging policy and governance reforms in the Kenyan higher education sector.

Of interest to this paper is the new ways that the institutions have adopted over the past decade to generate more resources to supplement declining Government funding. These have included institutional financial austerity measures, establishment of university companies and other income generation ventures of which the Parallel Degree Programmes have been the most dominant (Ouma-Wangenge, 2008). From a Competing Values Framework approach, this implies that the public universities are undertaking a dramatic shift from the emphasis on strong control dimension to that characterised by greater flexibility and external focus.

6 The Private-Public Paradox and New Resource Dynamics

The dynamics and trajectories of higher education have traditionally been defined with respect to national boundaries and embedded within the public sector discourses whereby notions of the market economics and competition were largely nonexistent. The higher education establishment in Kenya, like in most other African countries, is a relatively recent phenomenon spanning back to just a few decades. The making of modern day Kenya's higher education was largely a function of the state. The state created, financed and controlled the system like a state apparatus; making it characterised by a centralised bureaucratic control exercised by an overreaching Ministry of Education (Mwiria, 2002).

As a result of this public legacy, empirical analyses and discussions of higher education developments have been predominantly with respect to the fuzzy dynamics of university-government interactions; especially pertaining to the shifts in funding and governance regimes. Surprising, however, many studies have indicated that private tertiary institutions actually preceded their public counterparts in much of Africa and Latin America (Ajayi et al, 1996; Mabizela, 2007). The earliest higher education institutions in pre-independent Africa were initially affiliated to religious organisations prior to being subsequently converted into public institutions through Government takeovers (Ajayi et al, 1996). The phenomenon of private higher education is therefore not entirely recent or surprising in the African education landscape (Mabizela, 2007); what have been puzzling are the enormous momentum, spontaneity, and complexity of privatisation trajectories of higher education systems in Sub-Saharan Africa and Latin America (Levy, 2006).

These tendencies of organisational and operational restructuring are driven by the fact that public universities are increasingly under pressure to seek alternative strategies for generating private financial resources to fund their recurrent expenditures; which is a direct response to the substantial cutbacks in public funding from the exchequer. This, again, is a global trend whereby universities devise various strategies and processes for generating revenue from private sources (Slaughter and Leslie, 1997; Oketch, 2003; Nafukho, 2004; Kiamba, 2004; Wangenge-Ouma, 2007). In the Kenyan context, marketisation largely denotes "formation of university-owned for-profit companies, partnering with private non-university tertiary institutions, agribusiness activities, medium-scale trade on campus, and the enrolment of full fee-paying students" (Wangenge-Ouma, 2007: P.4). The phenomenon of Privately-Sponsored Degree Programmes emerged in Kenya in 1998 and has spread in extremely rapid succession across all seven Kenyan public universities. These innovative commercial programmes had been pioneered at Makerere University in 1995; and subsequently transformed into a phenomenal financial juggernaut for many universities in Malawi, Zambia, Tanzania and Kenya, among others countries (Court, 1999; Obong, 2004; Caroll, 2006). The rapid growth of these so-called Parallel Degree Programmes for Privately-Sponsored Students in public universities can be seen as the strongest manifestation of the neo-liberal thinking in higher education whereby knowledge is viewed as a private economic commodity to be retailed by universities and purchased by students constructed as consumers (Marginson and der Wende, 2006).

The costs of providing university education to the growing students numbers are enormous and have continued to escalate exponentially in recent years; further undermining the capability of Government to pretend to provide adequate funding to universities (World Bank, 1988; 1994; Magoha, 2005). The higher education funding calculus is such that "any cost shifted from one source must be shifted to another source" (Woodhall, 2008, 22); given that higher education costs are by their nature unavoidable, irreducible, and continually escalating. The high costs are related to the natural economic character of the tertiary education function that is characterised as "both labour and capital intensive and has proven throughout the world to be especially resistant to labour-saving technologies" (Johnstone, 2004, p. 12). In a technical report issued to the Public Universities Inspection Board, the University of Nairobi illustrates that Government funding has lagged far below the escalating inflationary trends (Magoha, 2005). Funding per university student had increased from Kshs 11,996 in 1970/71 to nearly Kshs 109 057 in 2001/02. This increment may seem remarkable at face value. However, when revised for inflation this apparent increment actually shows that Government funding declined from Kshs 11,996 in 1970 to Kshs 5,042 per student in 2001/02; implying that in 2001/02 the Government was funding students at an estimated 42 percent of the 1970 levels (Magoha, 2005:P8 - 13).

The report reveals that if funding per student was adjusted to account for inflation, then the appropriate annual Government funding per undergraduate student would have escalated to a staggering Kshs 259 464 ; or Kshs 762,240 if revised for both inflation and economic growth using 1970 as the base year (Magoha, 2005). The report further estimates that the average real cost of mounting different undergraduate degree programmes ranges from Kshs 180,000 for social science degree programmes to more than Kshs 540,000 for dentistry and natural sciences (Magoha, 2005); whereas the Government still believes that the unit cost for any degree is fixed at Kshs 70,000. In sum, the growing demand for higher education and the escalating costs of providing it have caused sufficient conditions for the rapid emergence of private higher education providers and the integration of privately-sponsored components within otherwise public universities (Mwiria and Ng'ethe, 2007)

There is raging debate and controversy surrounding what really constitutes "privateness" and "publicness" with respect to the basic organisational character and functions of higher education; especially is Sub-Saharan Africa where the magnitude of change has been dramatic in recent decades (Levy, 1986; Mabizela, 2006; Tight, 2006). In classical economic thought, privatisation can be understood generally as "measures which increase the role of private markets or investors in the delivery of services and goods presently (or previously) provided on universal basis by the public sector" (Meek, 2000). Privatisation therefore reawakens some of the well established classical debates surrounding the definition of the presumed boundary between the public and the private spheres of human activity. Although the State is the core defining criterion for publicness, there are four other key parameters commonly applied in defining the public and private distinctions in organisations. These parameters are ownership, sources of finance, governance approach, and functions (Levy, 1986; Geiger, 1986; Mabizela, 2007). However, with the rise of global knowledge economies and the globalisation processes, higher education establishment worldwide has become increasingly complex and dynamic with regard to its multiple functions, its new fluid organisational configurations, its growing geo-political and economic importance, its widening stakeholder constituencies, and its linkages to the wider economy and society.

Hence following decades of consistently declining Government funding, growing public sector liberalisation measures, and the rising budget deficits in all the seven public universities as discussed earlier, the phenomenon of privatisation and marketisation has emerged and gained momentum within public universities in Kenya and across Sub-Saharan Africa since the 1990s. These trends are driven by the fact that public universities are increasingly under pressure to seek alternative strategies for generating private finances to fund their recurrent and development expenditures. This, again, is a global trend whereby universities devise various strategies and processes for generating revenue from private sources (Slaughter and Leslie, 1997; Oketch, 2003; Kiamba, 2004; Wangenge-Ouma, 2007).

7 Privatisation of Public Higher Education

In the Kenyan context, as in other Sub-Saharan Africa countries, marketisation largely denotes "formation of university-owned for-profit companies, partnering with private non-university tertiary institutions, agri-business activities, medium-scale commercial ventures on campus, and the enrolment of full fee-paying students" (Wangenge-Ouma, 2007:P 4). The phenomenon of privately-sponsored degree programmes emerged in Kenya in 1998 and has spread in extremely rapid succession across all seven Kenyan public universities. These innovative commercial programmes had been pioneered at Makerere University in 1995; and subsequently transformed into a phenomenal financial juggernaut for many universities in Malawi, Zambia, Tanzania, Kenya, and many other african countries (Court, 1999; Obong, 2004; Caroll, 2006). The rapid growth of these so-called

Parallel Degree Programmes for Privately-Sponsored Students in public universities can be seen as the strongest manifestation of the neo-liberal thinking in higher education whereby knowledge is viewed as a private economic commodity to be retailed by universities and purchased by students constructed as consumers (Altbach, 2002; Marginson and der Wende, 2006). Privately Sponsored Programmes in Kenyan universities are part of a wider strategic shift to diversify the funding base and organisational landscape as suggested in the major international donors (World Bank, 1988; 1995; 2002). In theory, these programmes have opened crucial opportunities for students who meet university admission requirements but do not secure admission to the Regular Programmes because of the constrained government budgets. The students in these programmes meet the full cost of their education. The response to these programmes has been overwhelmingly and now poses new challenges to the universities regarding fundamental questions of quality, equity, and choice.

The second phenomenon is the dramatic increase in the number and enrolments levels in private higher education institutions in the Kenyan landscape. There is currently a larger number of private than public universities across Africa, Latin America, and parts of Asia (Levy, 2006). For instance, in East Africa there are about 50 private universities and only 19 public universities (Musisi and Mayega, 2007). Private universities in Kenya currently 18 and control nearly 20 percent of the total national enrolments. Whereas the public universities theoretically represent approximately 80 percent of the total national enrolments; it is dramatic to note that more than 50 percent of the total students in each of the seven public universities are enrolled under the Privately-Sponsored Degree category. To illustrate: Nairobi University has a total enrolment of 44,914 of which 32,010 are private students; Kenyatta university has enrolled 11,568 private students against a total enrolment of 20,426; Moi University with a total enrolment of 16,000 has more than 8,000 private students; whereas 60, percent of the 4,700 students at Maseno University are privately-sponsored (Daily Nation, Sept 1, 2008). These exceedingly high enrolments of privately-sponsored students in public universities have considerably decimated total enrolment levels at private universities to 12 percent in 2005/06 (Otieno, 2007). Nevertheless, the reality is that privately-supported students represent the clear majority in the Kenyan higher education system today.

While the benefits of the PSSP programmes to individuals and the universities cannot be disputed, a growing school of critics have argued that these programmes could tremendously lower the quality standards of higher education in Kenya (Kiamba, 2004; Otieno, 2007; Wangenge-Ouma, 2008). These private programmes are also severely criticised for undermining equity and for deepening the already high levels of educational disparities within the Kenyan society. This weakness arises from the fact that access to higher education in Kenya is increasingly determined by the consumers' capability to pay rather than entirely based on merit. The universities should come up with ways of streamlining the irregularities within these Private Degree Programmes. As dramatic reforms come into higher education governance, there are grim implications on its quality, relevance and standards. Will reforms in governance enhance or compromise the quality and standards of higher education in Kenya? In an era of a preponderance of fiscal restraints and constraints, Kenya still has to struggle with the challenge of improving higher education quality.

In the ongoing organisational restructuring, public universities have sought to maximise their market penetration and optimise their funding portfolio through forming franchises and various types of collaborative partnerships with non-university tertiary institutions. Under such arrangements, the institutions are mandated to offer various degree programmes under the supervision of the partner university (Otieno, 2007; Mabizela, 2006). As part of this growing organisational restructuring, most Kenyan public universities have expanded the range and modes of academic study programmes, established several satellite campuses, and formed new collaborations with numerous non-university tertiary institutions and secondary schools (Mwiria and Ng'ethe, 2007; Otieno, 2007). These diverse and dramatic restructuring processes suggest an increasing organisational complexity and gradual dismantling of the traditional binary organisational structure where non-university tertiary institutions were clearly separated from degree-awarding university institutions (Huisman and Kaiser, 2001; Teichler, 2004).

8 Contemplating the Public Good

In recent years, there has emerged a large body of theoretical and policy literature that increasingly construct education, especially higher education, as a commodity appropriate to be traded in a liberalised market economy (World Bank, 2002; Amaral et al, 2003; Knight, 2007). Higher education organisations worldwide are undergoing unprecedented change and confronting multiple challenges produced by the massive and complex processes of globalisation, technological change, and the emergence of new global knowledge economies and economies of knowledge (Zeleza, 2005). Developing countries face even more devastating challenges and drastic consequences.

Higher education has acquired an elevated degree of economic and geopolitical significance following the emergence of the global knowledge economy (World Bank, 2002). The most significant dimension of the paradigm shift has been the increasing privatisation of higher education and the commodification of knowledge production and utilisation (Meek, 2003; Ball, 2007). Punchi (2001) observes that within new market forces under globalisation, education is no longer viewed only as a social good but also as an economic commodity. This market paradigm seems to be creeping into Kenya too whereby the idea of an academic degree as a "private good" that benefits the individual; rather than a "public good" is now widely accepted and institutionalised (Okech and Amutabi, 2002; Jowi, 2003; Obamba, 2005; Ouma-Wangenge 2008). In this process, higher education is viewed as a critical sector of the national economy with some of its organisations acting globally as large multinationals (Egron-Polak, 2002:5) and are delocalising, franchising, exporting places by importing students, designing global marketing strategies, selling consulting services and setting up profit centres for generating revenue while at the same time building international alliances and networks (Carnoy, 1992).

The WTO's resolution of year 2000 to include higher education services under the General Agreement on Trade in Services (GATS) illustrated the increasing commercialisation of higher education and its subjugation to multilateral trade instruments (Suave, 2002; Zeleza, 2005; Knights, 2007; Vlk, 2006). Commodification means that all factors of production including human labour, knowledge, and skills are systematically dispossessed, commoditised and subordinated to the dominant forces of market exchange and profit maximisation (Slater and Tonkiss, 2001). Neave (2002) observes that commodification of higher education "displaces the creation and dissemination of knowledge from the social sphere to the sphere of economic production" (noted in Meek, 2003: 1-2). The rise of markets, even if curtailed by states is a symptom of this level of costs which can no longer be fully met by governments (Barnett, 2003:45). Higher education is currently one of the most important commodities in cross-border trade (Nico, 2000; Knight 2007). The OECD (1996) articulates the growing geopolitical and economic importance of knowledge:

> Knowledge is now recognised as the driver of productivity and economic growth, leading to a new focus on the role of information, technology and learning in economic performance. The term **knowledge-based economy** stems from this fuller recognition of the place of knowledge and technology in modern economies. (Noted in Meek, 2003:3)

As in other parts of the world, the processes and practices of knowledge production in Africa are undergoing profound transformations. Two interrelated tendencies can be identified: first, the pluralisation of sites of knowledge production and, secondly, the reconfiguration of the disciplinary and organisational architecture of knowledge (Zeleza, 2005). Pluralisation refers to the fact that knowledge production is no longer the privileged monopoly of traditional universities; given that numerous private and public institutions, including business corporations, government agencies, and international and civil society organisations, are increasingly engaged in competitive production and Commercialisation of an heterogeneous range of knowledge products (Bleiklie, 2004; Teichler, 2004; Zeleza, 2005). Restructuring of the internal epistemic and organisational structure of knowledge fore grounded and enabled commodification and marketisation to firmly take root within the academy worldwide (Zeleza, 2005).

Attempts to introduce market instruments into higher education have generated intense critiques and theoretical paradoxes (Rothschild and White, 1995; Winston, 1999). The paradoxes emerge partly as a result of the destructive-constructive character of the market and its associated failures (Le Grande, 1991); and partly with regard to the complex and fluid economic properties of the higher education enterprise and its commodities (Marginson and der Wende, 2007). Although historically regarded as a public good, modern higher education seems to produce a complex mix of both public and private goods (Stiglitz, 1999; Marginson and Van der Wende, 2007; Agasisti and Catalano, 2006).

With respect to addressing the funding problem, the university may become hostile or indifferent to the pursuit of truth and to social responsibility. Intellectuals will become less the guardians of the search for truth as funds will be used profitably. In this regard, norms that have traditionally been part of the university life may come under questioning. Before they address the demands of their new requirements, universities may have to live up to their missions and objectives and not necessarily compromise them for compatibility with the market. A university, for instance, cannot fully comprehend all the entities and forces that affect it. It is dimly aware of markets developing, with new competitors, changes in student demands and taste, and of the development of global contours in higher education. Even if a university could comprehend its situation, it may not be able to control it. Simply, university leadership might be relatively powerless to control its destiny considering the complex relationships and forces through which it has to move.

9 CVF and the Balancing Act

Which way should the Kenyan universities go? Embrace reforms or stick to their traditional roles as enshrined in their missions? The underlying argument of the CVF model of leadership and management adopted for discussions in this paper is that more effective leaders are able to cope with multiple and competing roles or tasks and should strike a balance within them. They thus need to have the ability to play multiple, competing even contradictory leadership and management roles (Quinn, 1988, Hoijberg, 1996).Organisations rely on the skilled balancing-acts and performance of their leaders to solve complex and ill-defined organisational problems from both the external and internal environments (O'Neill and Quinn, 1993).

Quinn (1988) recommends that a balance among these competing values, contradictory and dysfunctional objectives, determines the success of organisations. In essence then, to successfully manage paradoxes, contradictions and ambiguities, organisational leaders must learn to deal with them wholly, rather than choose between them. The framework has been widely used as a model for analysing organisational effectives and leadership roles based on the major indicators of effective organisations (Quinn and Rohbaugh, 1983) mainly because of its validity, reliability and strong explanatory power. As Cameron (2006) argues, coping with the changing environments of the 21st century environments require constant adaptability and flexibility and also predictability and reliability to produce lasting value.

Parenthetically, the highest performing leaders and organisations are those who have developed capabilities and skills that allow them to succeed in all the four quadrants. They are self-contradictory leaders in the sense that they can be hard and soft, entrepreneurial and controlled (Quinn, 1988; Hoijberg, 1996). Achieving valued outcomes in each of the quadrants is therefore crucial. This is the challenge for contemporary university leadership and management in Kenya. The leadership and management of the universities must be seen from the prism of the entire four quadrants. While the establishment of the Parallel Degree Programmes is a welcome move it has to be balanced with the quadrants to be successful. Otherwise, success in the establishment and developments in these programmes might imply negative consequences in other aspects of university life.

Generally, there is the need for the universities to strengthen their internal governance, improve quality of their existing academic programmes, develop strong faculties and advance public interest. "If they are not flexible enough, they may become redundant – relegated to the sidelines by new kinds of edutainment organisations, or merely as producers of academic materials that are processed, packaged, disseminated by global corporations. But if they are too flexible, they may cease to be universities, at any rate in recognisable form. If they abandon their commitment to liberal learning, to critical knowledge, to disinterested scholarship and science – in other words if they sacrifice their core, their fundamental, values on the altar of novelty – universities may not be worth defending" (Scott, 2000: 8)Successfully managing this complex and contradictory situation will be the test of the institutions. As Castells (2001: 212) argues:

> The real issue is... to create institutions solid enough to stand the tensions that will necessarily trigger the simultaneous performance of somewhat contradictory functions. The ability to manage such contradictions, while emphasising the role of universities in the generation of knowledge and the training of labour in the context of the new requirements of the development process, will condition to a large extent the capacity of new countries and regions to become part of the dynamic system of the new world economy.

For some universities in developing countries and worldwide, the emerging policy and organisational landscape represents tremendous opportunities; whereas for others, it is a time of much greater risk and vulnerability. As a consequence, the question is whether a particular higher education institution will belong to tomorrow's winners, or will join the growing list of losers.